

This listing of claims will replace all prior versions, and listing, of claims in the application:

Listing of Claims:

Claim 1 – 5 (canceled)

Claim 6 (previously added) A layered encoding, comprising:

- (a) means for applying a base layer perceptual filter to a signal to yield a base layer filtered signal;
- (b) means for finding a base layer estimate for said signal by base layer error minimization with said base layer filtered signal; and
- (c) means for finding a first enhancement layer estimate for said signal by error minimization with a first enhancement layer perceptual filter applied to a error in said base layer after inverse filtering with said base layer perceptual filter,
- (d) for $j = 2, \dots, N$, means for finding a j th enhancement layer estimate for said signal by error minimization with a j th enhancement layer perceptual filter applied to an error in said $(j-1)$ st enhancement layer after inverse filtering with said $(j-1)$ st enhancement layer perceptual filter, wherein at least one of said j th enhancement layer perceptual filters is weaker than said base layer perceptual filter.

Claim 7 (previously added) The layered encoding of claim 6, wherein:

- (a) said estimates are synthesis filtered CELP excitations.